

**DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION
ACTIVITY REPORT: Scheduled Inspection**

P003637926

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| FACILITY: RIVERSIDE ENERGY MICHIGAN, LLC - OLD VANDY EAST | | SRN / ID: P0036 |
| LOCATION: Old Vandy East CPF, VANDERBILT | | DISTRICT: Gaylord |
| CITY: VANDERBILT | | COUNTY: OTSEGO |
| CONTACT: Natalie (Natasha) Schrader , Technical Assistant | | ACTIVITY DATE: 11/14/2016 |
| STAFF: Becky Radulski | COMPLIANCE STATUS: Compliance | SOURCE CLASS: SM OPT OUT |
| SUBJECT: Scheduled FY17 inspection | | |
| RESOLVED COMPLAINTS: | | |

AQD Staff traveled to P0036 Riverside Energy (formerly owned by Chevron, Atlas) Old Vandy East CPF located in Corwith Township, Otsego County, for a Full Compliance Evaluation (FCE) scheduled inspection to determine compliance with PTI 15-10. This is an opt out permit.

Cliff, Riverside Operator, was onsite when Staff arrived.

The Old Vandy East CPF is a natural gas central production facility (CPF). Natural gas and brine fluids are extracted from wells drilled into producing reservoirs (Antrim Formation). Fluids are transmitted through flow lines to the CPF. The gas is compressed and dehydrated prior to pipeline transport. The facility contains a compressor engine, dehy system and brine tank.

LOCATION

The facility is located on the east side of Vanderbilt. To get to the facility, travel east of Old 27 on E. Sturgeon Valley Rd to Randolph St (goes by Vanderbilt schools). Travel north 1 mile on Randolph St, the facility is located to the left. There is a gate that is usually locked approximately 1/2 way to the facility. The gate was open during the inspection as an Operator was onsite.

REGULATORY DISCUSSION

PTI 15-10 was issued February 3, 2010. The permit is for one lean burn engine (Caterpillar 3516 LE, 1265 hp) and one dehydration unit that processes Antrim formation natural gas. There is also a brine tank on site that is identified in the permit application as 400 bbls.

This is an opt out permit due to SC VII.1 of the permit which allows for replacement of the engine with an equivalent-emitting or lower-emitting engine. The replacement engine can be with or without control.

The facility is not major for HAPS.

The engine is subject to 40 CFR Part 63, Subpart ZZZZ, which has not been delegated to MDEQ from EPA.

The glycol dehydrator is subject to 40 CFR Part 63, Subpart HH, which has not been delegated to MDEQ from EPA.

INSPECTION NOTES

The facility contains 1 large building with a compressor engine, oil-water separator and dehy system, as well as a brine storage tank.

The engine was operating during the inspection. It is noted as a Caterpillar 3516 LE, 1265 HP engine. The skid is labeled as NCGS 17. No VE or odor was noted from the exhaust. The exhaust stack has a muffler.

During the inspection the unit was operating as follows:

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| RPM | 975 |
| Engine Oil Pressure | 55 psi |
| Engine Oil Temperature | 178 F |

Inside the facility were several containers for used oil and engine oil.

Outside the facility was a lined containment area for a 400 bbl brine storage tank.

Based on visual estimate, the stack meets the height and diameter requirements (42 feet minimum height, 12 inch maximum diameter).

MAERS

The 2016 emissions will be reviewed when received. Any issues will be noted in MAERS and resolved separately.

MACES

MACES was reviewed. Updated the description to reflect the equipment. Updated Contact information to assign appropriate facility contact. Updated MACT screen to include Subparts ZZZZ and HH.

COMPLIANCE DETERMINATION

Based on the scheduled inspection, P0036 Riverside Energy Old Vandy East CPF appears to be in compliance with the PTI. Records are reviewed separately.

NAME Becky Radulski

DATE 12/14/16

SUPERVISOR 